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County of Los Angeles CHIEF EXECUTIVE OFFICE

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LOS ANGELES, CALIFORNIA 90012
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<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

September 21, 2007

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name of the Chief Executive Officer.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

ACTUAL AVERAGE MONTHLY COST PER CHILD PER MONTH FOR PROVIDING WRAPAROUND SERVICES

On August 21, 2007, on motion of Supervisor Yaroslavsky, seconded by Supervisor Antonovich, your Board instructed the Chief Executive Office (CEO), in conjunction with the Department of Children and Family Services (DCFS), to: 1) determine the actual average per child per month costs of providing Wraparound services; and 2) if the costs are significantly below the fixed rate of \$4,184 per child per month, evaluate the feasibility of amending the existing Wraparound contracts to provide for either cost-based reimbursement, a tiered-funding structure allowing flexibility based on the child's needs, or a fixed monthly per child reimbursement that reflects actual costs expended.

We worked with DCFS and the Association of Community Human Service Agencies (ACHSA) to analyze and validate cost data provided by 25 of the 34 contracted agencies providing wraparound services to children and families in Los Angeles County. In order to determine the actual average cost per child per month, we requested financial information and placement data from each agency. Based on our review of this information, it was determined that the actual average cost for providing wraparound services is \$4,688 per child per month which is \$504, or 12 percent, higher than the contracted rate. Although a few of the agencies reported costs that are lower than the contracted rate, the majority of the agencies reported higher actual costs.

Each Supervisor
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Based on this review, we believe the existing fixed rate is reasonable and do not recommend amending the existing wraparound contracts to provide for either cost base reimbursement or a tiered funding structure.

If you have any questions or need additional information, please contact me, or your staff may contact Lynn Cao at (213) 893-1216, or Brian Mahan at (213) 974-1318.

WTF:SRH:BY
GP:LC:lbm

c: Executive Officer, Board of Supervisors
 County Counsel
 Department of Children and Family Services

DCFS-Wraparound Services Cost.bm